



# ಕರ್ನಾಟಕ ರಾಜ್ಯಪತ್ರ

ಅಧಿಕೃತವಾಗಿ ಪ್ರಕಟಿಸಲಾದುದು  
ವಿಶೇಷ ರಾಜ್ಯ ಪತ್ರಿಕೆ

ಭಾಗ - ೪ಎ Part - IVA	ಬೆಂಗಳೂರು, ಸೋಮವಾರ, ೧೬, ಅಕ್ಟೋಬರ್, ೨೦೨೩(ಅಶ್ವಯುಜ, ೨೪, ಶಕವರ್ಷ, ೧೯೪೫) BENGALURU, MONDAY, 16, OCTOBER, 2023(AASHWAYUJA, 24, SHAKAVARSHA, 1945)	ನಂ. ೫೦೩ No. 503
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No. CI 66 SPI 2021

Date: 16.10.2023

## NOTIFICATION

The draft of the Karnataka Special Investment Region Rules, 2023 which the Government of Karnataka proposes to make in exercise of the powers conferred by section 37 of the Karnataka Special investment Region Act, 2022 (Karnataka Act No. 5 of 2023) is hereby published as required by sub-section (1) of section 37 of the said Act, for the information of all persons likely to be affected thereby and notice is hereby given that the said draft will be taken into consideration after thirty days from the date of its publication in the Official Gazette.

Any objection or suggestion which may be received by the State Government from any person with respect to the said draft before the expiry of period specified above will be considered by the State Government. Objections and suggestions may be addressed to the Additional Chief Secretary to Government, Department of Commerce and Industries, Vikasa Soudha, Dr.B.R. Ambedkar Veedhi, Bengaluru-560001.

## DRAFT RULES

**1. Title and commencement.-** (1) These rules may be called the Karnataka Special Investment Region Rules, 2023.

(2) They shall come into force from the date of their final publication in the Official Gazette.

**2. Definitions.-**(1) In these rules, unless the context otherwise requires,-

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- (a) "Act" means the Karnataka Special Investment Region Act, 2022 (Karnataka Act No. 05 of 2023);
  - (b) "Form" means form appended to these rules; and
  - (c) "Non-official member of the Regional Development Authority (RDA)" means such member of the Regional Development Authority who is neither in the employment nor holding any office of profit in the Central Government, State Government or its Agency for the time being in force.

(2) The words and expressions used in these rules but not defined shall have the same meanings as assigned to them in the Act.

**3. Term of office.-** (1) The term of office of the Chairperson, the Chief Executive Officer, the General Manager and the members of the Regional Development Authority shall be three years.

(2) The term of office of the nominated non-official members shall be three years, subject to the pleasure of the Government.

**4. The qualification of the Chairperson of the Regional Development Authority.-** The minimum qualification for appointment as the Chairperson, must be a holder of degree in a university recognised by law, with experience of not less than ten years in Industrial Development or must be a Managing Director or Director or Partner or Proprietor shall have manufacturing large industry or enterprises running for a period of not less than five years in the concerned notified Special Investment Region:

Provided that, in case a retired official is appointed he must have served in a cadre not below the rank of Head of the Department.

**5. Conditions of service of the Chairperson of the Regional Development Authority.-** The Chairperson shall be eligible for such salary and allowance admissible to Head of the Department.

**6. The qualification of the Chief Executive Officer and General Manager of the Regional Development Authority.-** (1) The Chief Executive Officer shall have the following qualifications, namely:-

(a) Must be a Bachelor of Engineering in Environmental or Civil or Chemical or Mechanical or Electrical Engineering or Master of Business Administration with any engineering background with a minimum ten years experience.

(b) Must have five years of experience in Managerial and Technical capacity of handling Solid Waste Management or Liquid Waste Management or Water Supply etc., in Urban Local Bodies in India or Special Economic Zone or Industrial Towns Facility run by State or Union Government or registered Private Firm, anywhere in India.

(c) Must have attained the age of thirty five years and not attained the age of 50 years:

Provided that, the Joint Director, District Industries Centre of the concerned district, may be given additional charge as the Chief Executive Officer.

(2) The General Manager shall have the following qualifications, namely:-

(a) Must be a Bachelor of Engineering or Master of Business Administration with a minimum five years of experience;

(b) Must have three years of experience in Managerial and Technical capacity in handling Solid Waste Management or Liquid Waste Management or Water Supply etc., in Urban Local Bodies in India or Special Economic Zone or Industrial Town or Facilities run by State or Union Government or registered Private Firm, anywhere in India.

(c) Must have attained the age of thirty years and not attained the age of forty five years:

Provided that, the Executive Engineer, Karnataka Industrial Areas Development Board of the concerned District may be given additional charge as the General Manager.

**7. The condition of service of Chief Executive Officer and General Manager.-** The CEO shall be eligible for such salary and allowances as admissible to a Joint Director, District Industries Centre of the concerned district and the General Manager shall be eligible for such salary and allowances as admissible to the Executive Engineer of Karnataka Industrial Areas Development Board .

**8. The condition of service of non-official members of the Regional Development Authority.-** (1) Non-official members shall be eligible for such allowances as admissible to that of a Group A Senior Scale Officer as per Karnataka civil Services Rules.

(2) Non-official member shall be eligible for prevailing sitting fees of the Government subject to changes made by Finance Department from time to time.

**9. Disqualification for a non-official member of the Regional Development Authority.-** A person shall be disqualified for being appointed and for being a non-official member of the Regional Development Authority, if he-

- (i) has been adjudged insolvent; or
- (ii) has been convicted of any offence involving moral turpitude; or
- (iii) is of unsound mind and stands so declared by a competent court; or
- (iv) has acquired such financial or other interest as is likely to affect prejudicially his function as non-official member of the Regional Development Authority; or
- (v) has so abused his position as to render his continuance in office prejudicial to the public interest.

**10. The qualification, tenure of office and other terms and conditions of the Chairperson and Members of the Dispute Settlement Mechanism.-** (1) The Chairperson of the Dispute Settlement Mechanism shall be a retired Principal District and Sessions Judge or retired Secretary to Government and retired District and Sessions Judge or retired Senior Officers of State or Members of the Dispute Settlement Mechanism shall possess qualification of Bachelor of Law with a minimum ten years of legal practice or service in the Government.

(2) The term of office of the Chairperson and members shall be three years subject to the pleasure of the State Government.

(3) The chairperson of Dispute settlement mechanism shall be eligible for such salary allowances equal to Principal district and sessions judge or Secretary to Government or Senior Officers of the State and a member shall be eligible for such salary

and allowance equal to District and sessions Judge or Secretary to Government or Senior Officer of the State.

### **11. Disqualification for a non-official member of the Dispute Settlement**

**Mechanism.-** A person shall be disqualified for being appointed and for being a non-official member of the Dispute Settlement Mechanism, if he-

- (i) has been adjudged insolvent; or
- (ii) has been convicted of any offence involving moral turpitude; or
- (iii) is of unsound mind and stands so declared by a competent court; or
- (iv) has acquired such financial or other interest as is likely to affect prejudicially his function as non-official member of the Dispute Settlement Mechanism; or
- (v) has so abused his position as to render his continuance in office prejudicial to the public interest.

### **12. The assessment, imposition and recovery of property tax by the**

**Regional Development Authority.-** (1) The Regional Development Authority shall be competent to levy property tax on all buildings and lands situated within the Special Investment Region as per the provisions of the Karnataka Gram Swaraj and Panchayat Raj Act, 1993 (Karnataka Act 14 of 1993), the Karnataka Municipalities Act, 1964 (Karnataka Act 22 of 1964), the Karnataka Municipal Corporations Act, 1976 (Karnataka Act 14 of 1977), the Bruhat Bengaluru Mahanagara Palike Act, 2020 (Karnataka Act 53 of 2020) or rules made thereunder or Planning Authority or byelaws framed thereunder, from which the concerned Special Investment Region is carved out. The rules applicable to the concerned local authority shall be mutatis mutandis applicable to the Regional Development Authority for assessment, imposition and recovery of taxes.

(2) The Regional Development Authority may reduce or vary the property tax depending on the revenue subject to approval of Apex Authority.

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**13. Budget estimates of the Regional Development Authority.-** (1) The Budget estimates of the Regional Development Authority shall be in Form-1 and the Program of work shall be in Form-2.

(2) The Regional Development Authority shall forward the same to the State Government, for approval, with its Programme of work, a note giving history and description of each scheme including inter-alia, the progress made, expenditure incurred and sums secured in the previous years in respect of continuing schemes. The note shall be in particular bring out the financial implications of each scheme.

**14. Manner and form of maintenance of accounts.-** (1) The accounts of the Regional Development Authority shall be prepared and maintained in double entry system of book keeping.

(2) The Regional Development Authority shall have and maintain its own funds and to which be credited,-

- (a) all moneys received by the Regional Development Authority from the Government by way of grants, loans, advances or otherwise and also the money borrowed from other sources;
- (b) all taxes, levies, tolls, fees, rent, profits, costs and charges received by the Regional Development Authority under the Act or under the provisions of any law made applicable to the Special Investment Region; and
- (c) all moneys received by the Regional Development Authority from the disposal of land, buildings and movable properties and from other transactions.

(2) The annual statement of accounts of the Regional Development Authority shall be maintained in the double entry system, in accordance with the principles of commercial accounting in Form 3.

By Order and in the name of the  
Governor of Karnataka,  
**(NAGARATHNAMMA .G)**  
Desk Officer (Technical Cell),  
Commerce & Industries Department.

**FORM-1**  
(see sub-rule (1) of rule 13)

**I. Budget Estimates of the Regional Development Authority**

**Revenue Receipts**

(Rs. in Lakhs)

<b>Sl. No</b>	<b>Sub-Heads</b>	<b>Budget Estimates (For the Current Year)</b>	<b>Actuals (For the Current Year)</b>	<b>Revised Budget (For the Current Year)</b>	<b>Budget Estimates (For the Next Year)</b>
1	Water Supply Charges				
2	Interest from Allottees				
3	Board Service Charges				
4	Rent on Building				
5	Forfeiture of DLP and E.M.D.				
6	Fines, Penalties etc.				
7	Sale of Application Forms/Tender Forms				
8	Taxes / Fees / Maintenance Charges etc				
9	Interest on Short Term/ Flexi Deposits				
10	Miscellaneous Receipts (Transfer, Dev. Charges,Bldg Plan, etc)				
	<b>Total</b>				

## II. Budget Estimates of the Regional Development Authority

### Revenue Expenditures

Sl. No.	Sub-Heads	Budget Estimates (For the Current Year)	Actuals (For the Current Year)	Revised Budget (For the Current Year)	Budget Estimates (For the Next Year)
1	Salary & Allowance				
2	Pension and Leave Salary Contribution				
3	Contribution of RDA to the Staff				
4	Maint. & Repair of Tools				
5	Remuneration to Legal Advisors and Legal Charges				
6	Books, Maps & Periodicals				
7	Advertisement Expenses				
8	Consultancy & Accounts Processing Charges				
9	Board/Sub Committee & Other Meeting Expenses				
10	Entertainment Expenditure				
11	Printing & Stationery Charges				
12	Electricity Charges				
13	Water Charges				
14	Telephone Charges				
15	Postage & Telegraph				
16	Travelling Expenses				
17	Reimbursement of Medical Expenses				
18	Rent on Building				



19	Maint. of Avenue Plants, Pumphouse, Roads, Drains, Water Supply, Street Lights etc in the Indl.Areas.				
20	Miscellaneous Expenses				
21	Liveries to Group 'D' Employees				
22	Gratuity				
23	Labour Charges through Security Agency				
24	Conveyance and Taxi Hire				
25	Ex-Gratia				
26	Audit Fees				
27	Training - Officers & Staff				
28	CM Relief Fund, Calamity Fund, Donation				
	<b>Total</b>				
	<b>Revenue Surplus/Deficit</b>				

### III. Budget Estimates of the Regional Development Authority

#### Capital Receipts

(Rs. in Lakhs)

Sl. No.	Sub-Heads	Budget Estimates (For the Current Year)	Actuals (For the Current Year)	Revised Budget (For the Current Year)	Budget Estimates (For the Next Year)
1	Funds from Govt of Karnataka				
2	Funds from Govt of India				
3	Deposit for Lease of Plots - IA				
4	Deposit for Housing Sites and Tenements				
5	EMD / SD from Contractors				
6	Recovery of Loans and Advances from Staff				

7	Deposit for Contribution works				
8	Other Capital Receipts				
	<b>Total</b>				
	Opening Balance of the Receipts				
	Revenue Receipts for the year				
	Capital Receipts for the year				
	Total Receipts as at the end of the year				

#### IV. Budget Estimates of the Regional Development Authority

##### Capital Expenditures

Sl. No.	Sub-Heads	Budget Estimates (For the Current Year)	Actuals (For the Current Year)	Revised Budget (For the Current Year)	Budget Estimates (For the Next Year)
	<b>Spill Over Works :</b>				
	(a) Regular Works				
	(b) Upgradation works				
	<b>Fresh Works :</b>				
	(a) Regular Works				
	(b) Upgradation Works				
	(c) Deposit Contribution Works				
	<b>Total Developmental Expenditure</b>				
	Land Acquisition SIR				
	<b>Total land Compensation</b>				
1	Other Capital Purchases including Software Development.				
2	Advances to Staff				
3	Deposit with BWSSB and DB, KPTCL and other institutions				
4	Refund of Deposit for lease of plots to Allottees and SD/EMD to Contractors / IT Board				
	<b>Total of other capital expenditure</b>				
	<b>Grand Total</b>				
	Total Receipts as at the end of the year				
	Total Expenditure for the year				
	Overall Surplus/Deficit on Capital Account as at the end of the year				

**ABSTRACT OF BUDGET ESTIMATES FOR THE YEAR-----**

(Rs. in Lakhs)

<b>Particulars</b>	<b>Budget Estimates (For the Current Year)</b>	<b>Actuals (For the Current Year)</b>	<b>Revised Budget Estimates (For the Current Year)</b>	<b>Budget Estimates (For the Next Year)</b>
Revenue Receipts				
Capital receipt				
Total Receipts				
Revenue Expenditure				
Capital Expenditure				
Total Expenditure				
<b>Surplus on Revenue Account for the Year</b>				
Balance of the Receipts at the beginning of the year				
Total Receipts for the year				
Total Receipts as at the end of the year				
Total Payments for the year				
<b>Overall Surplus on capital account at the end of the year</b>				

**FORM -2**

(see sub-rule (1) of rule13)

**ANNUAL PROGRAMME OF WORKS**

<b>Sl.No.</b>	<b>Name of Scheme</b>	<b>Estimated cost of the work</b>	<b>Estimated expenditure in the year for which programme is proposed</b>	<b>Estimated receipts</b>	<b>Salient features Amenities and facilities to industries</b>
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>

**FORM - 3**

(see sub-rule (2) of rule 14)

**Annual Statement of Accounts**

INCOME AND EXPENDITURE ACCOUNT OF RDA FOR THE YEAR ENDED _____									
PREVIOUS YEAR  Rs. in lakhs		EXPENDITURE	SCH No.	CURRENT YEAR  Rs. in lakhs	PREVIOUS YEAR  Rs. in lakhs		I N C O M E	SCH NO.	CURRENT YEAR  Rs. in lakhs
	To	Repairs & Maintenance				By	Sale of Application Forms		
	To	Administrative Expenses				By	Recoveries of Fines and Penalties		
	To	Water & Electricity Charges				By	Interest Received		
	To	Special Charges				By	Other Receipts		
	To	Depreciation				By	Rent Received		
	To	Prior Period Adjustment				By	Forfeiture of Deposits		
	To	Excess of Income over Expenditure				By	Water Supply Charges		
						By	Gain on Disposal of Land		
	To	Other charges				By	Taxes, fees, charges etc.		
	To	Interest on Loans				By	Grants from Government		
		<b>GRAND TOTAL</b>					<b>GRAND TOTAL</b>		

**BALANCE SHEET OF RDA AS ON \_\_\_\_\_**

<b>PREVIOUS YEAR Rs. in lakhs</b>		<b>L I A B I L I T I E S</b>	<b>SCH No.</b>	<b>CURRENT YEAR Rs. in lakhs</b>	<b>PREVIOUS YEAR Rs. in lakhs</b>		<b>A S S E T S</b>	<b>SCH NO</b>	<b>CURRENT YEAR Rs. in lakhs</b>
		Grants from Central and State Governments					Assets with Name of SIR		
		Reserves and Surplus					Development of SIR		
		Unsecured Loans					Fixed Assets		
		Current Liabilities and Provisions					Investments		
							Current Assets, Loans and Advances		
		<b>GRAND TOTAL</b>					<b>GRAND TOTAL</b>		

**(NAGARATHNAMMA .G)**  
Desk Officer (Technical Cell),  
Commerce & Industries Department.